HOUSE . . . . . . . No. 118

By Mr. Petersen of Marlbehead, petition of Douglas W. Petersen and others for legislation to establish spending limits on all state political campaigns. Election Laws.

## The Commonwealth of Massachusetts

## PETITION OF:

Douglas W. Petersen Mathew C. Patrick Michael E. Festa Thomas M. Stanley Patricia D. Jehlen James B. Eldridge Peter V. Kocot John W. Scibak Timothy J. Toomey, Jr. Thomas J. O'Brien

In the Year Two Thousand and Five.

AN ACT ESTABLISHING SPENDING LIMITS ON ALL STATE POLITICAL CAMPAIGNS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. (a) The General Court hereby finds that:
- 2 (1) The continuing unrestrained growth in expenditures on elec-3 tion campaigns for statewide and state legislative offices in the
- 4 Commonwealth of Massachusetts is harmful to the democratic
- 5 process and the integrity of elections and government in Massa-
- 6 chusetts.
- 7 (2) Unlimited campaign spending fosters the public perception
- 8 that candidates and elected officials respond and give access to
- 9 contributors and special interests who can assist them in raising
- 10 the necessary campaign funds, in preference to those who make
- 11 small or no contributions. This perception undermines public
- 12 confidence in government that is necessary to the proper func-
- 13 tioning of a democratic system. The importance of fundraising
- 14 under a system of unlimited campaign spending also undermines
- 15 the public's belief in the value of the vote.

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- 16 (3) The need for unlimited fundraising deters many potential 17 candidates from seeking office, and leaves many elections effec-18 tively uncontested, undermining the necessary conditions for a 19 robust public debate of the issues.
  - (4) Because there are no upper limits on candidates' campaign expenditures, candidates and officeholders face pressure to spend inordinate time and attention on fundraising, for fear of being outspent by an opponent in the campaign funding arms race. The excessive time that must be devoted to fundraising in the absence of spending limits interferes with the ability of officeholders to carry out the duties for which they were elected and the ability of candidates to meet and interact with average voters.
- 28 (5) In legislative elections in 2002, only one-third of the 200 races were contested, and the candidate spending the most money 30 in those elections won election 94% of the time. Moreover, in 2002, winners of competitive legislative races outspent their opponents by about 2 to 1. In elections for the six statewide offices in both 1998 and 2002, the candidate spending the most money won election in five of the six contests. Over the past decade, the growth in campaign expenditures in the gubernatorial race has grown over five times the rate of inflation while the growth in spending for House races has grown nearly twice the rate of inflation. There have been very few seriously contested Senate races over the last decade.
- 40 (6) Limits on campaign expenditures will limit the time spent 41 soliciting contributions, and will reduce the need of elected offi-42 cials to respond to, and provide special access to, contributors. As 43 a result, candidates will be freed to devote more time and energy 44 to debate of the issues and elected officials will be able to spend 45 more time responding to constituents and to performing their offi-46 cial duties.
  - (7) Limits on campaign expenditures will encourage direct and small group contact between candidates and the electorate and will encourage the personal involvement of larger number of citizens in campaigns, both of which are crucial to public confidence and robust debate of the issues.
- 52 (8) Limits on campaign expenditures will promote open and 53 robust debate of the issues by allowing more candidates a mean-54 ingful opportunity to compete for office.

- 55 (9) The expenditure limits established in this Act will allow sufficient spending for candidates to communicate effectively with the electorate and inform the electorate of their positions on the issues.
- 59 (b) This act is necessary in order to implement more fully the 60 provisions of Article IX of the Constitution of the Commonwealth of Massachusetts, which declares "All elections ought to be free; and all the inhabitants of this commonwealth, having such qualifications as they shall establish by their frame of government, have an equal right to elect officers, and to be elected, for public employments."
- 66 (c) The General Assembly adopts this act to provide restrictions 67 on campaign expenditures and to provide other regulations of con-68 tributions to and expenditures for election to office in the state.
- SECTION 2. Chapter fifty-five of the general laws, as appearing in the 2002 official edition, is hereby amended by adding the following definition to section one:
- "Election cycle", as applied to a candidate for a particular state office, shall be the period beginning on the thirty-first day following a regular state election for that office and ending on the thirtieth day following the next state election for that office, inclusive.
- SECTION 3. Chapter fifty-five of the general laws, as appearing in the 2002 official edition, is hereby further amended by deleting the following sentence at the end of the first paragraph in section 7:
- A candidate may make expenditures without limitation for the purpose of his own campaign and may make campaign contributions without limitation for the benefit of the non-elected political committee organized on his behalf.
- SECTION 4. Chapter fifty-five of the general laws, as appearing in the 2002 official edition, is hereby further amended by inserting, after section 17, the following sections under the heading "Political Expenditures":
- 5 Section 17A. Mandatory spending limits for state offices; 6 penalties.

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- (a) In furtherance of the stated legislative findings and objec-7 8 tives pertaining to the need for limits on the expenditure of funds on political campaigns, and notwithstanding any general or 10 special law to the contrary, the following campaign expenditure limitations shall apply to the candidates for all elections for the 12 following state offices, regardless of whether the candidate is 13 financing his or her campaign from private contributions, from the candidate's own resources, or from the resources of his or her 15 immediate family.
- (1) Any candidate for governor shall limit campaign expendi-17 tures to no more than \$3 million in an election. In any gubernatorial race in which there is both a primary and a general election, any money spent prior to or on the day of the primary election shall be subject to the limit for the primary election and any money spent between the primary and general elections shall be subject to the limit for the general election.
- (2) Any candidate for lieutenant governor shall limit campaign expenditures to no more than \$750,000 in an election. In any race in which there is both a primary and a general election for lieu-26 tenant governor, any money spent prior to or on the day of the primary election shall be subject to the limit for the primary election and any money spent between the primary and general elections shall be subject to the limit for the general election.
- 30 (3) Any candidate for attorney general or treasurer and receiver 31 general shall limit campaign expenditures to no more than \$1.5 million in an election cycle.
- 33 (4) Any candidate for state secretary or state auditor shall limit 34 campaign expenditures to no more than \$750,000 in an election 35 cycle.
- (5) Any candidate for state senator shall limit campaign expen-37 ditures to no more than \$132,000 in any election cycle.
- 38 (6) Any candidate for state representative shall limit campaign 39 expenditures to no more than \$54,000 in any election cycle.
- 40 (b) For purposes of this subsection, "base year amount" shall be the expenditure limits prescribed in this section on the date of its 41 passage. Such limits shall be increased on the first day of each 43 election cycle by multiplying the base year amount by the cumula-44 tive federal consumer price index for the Boston statistical area, 45 calculated by the United States Bureau of Labor Statistics for the

46 preceding January 1, and rounded to the nearest hundred dollar amount, for all years since the date of passage.

- 48 (c) For purposes of this section and section 17B, the term "elec-49 tion" means a general, special, or primary election. For purposes 50 of this section, the term "candidate" includes the candidate's com-51 mittee.
- 52 (d) Violations of any provisions of this section or section sev-53 enteen B shall be imprisonment for not more than one year or by a 54 fine of not more than one thousand dollars, or both.
- 55 (f) The Office of Campaign and Political Finance may adopt 56 rules necessary to administer the provisions of this section.
  - Section 17B. Accountability for Related Expenditures.
- 58 (a) A related campaign expenditure made on a candidate's 59 behalf shall be considered a contribution to the candidate on 60 whose behalf it was made.
- 61 (b) A related campaign expenditure made on a candidate's 62 behalf shall be considered an expenditure by the candidate on 63 whose behalf it was made. However, if the expenditure did not 64 exceed \$100.00, the expenditure shall not be considered an expen-65 diture by the candidate on whose behalf it was made.
- 66 (c) For the purposes of this section, a "related campaign expen-67 diture made on the candidate's behalf" means either of the 68 following:
- 69 (1) Any expenditure intended to promote the election of a spe-70 cific candidate or the defeat of an opposing candidate, if intention-71 ally coordinated with, solicited by or approved by the candidate or 72 the political committee of the candidate benefited by the expendi-73 ture;
- 74 (2) Any expenditure intended to promote the election of a group of specific candidates or the defeat of a group of opposing candidates, if intentionally coordinated with, solicited by or approved by the candidates or the political committees of the candidates benefited by the expenditure. For purposes of subsection a and subsection b of this section, the amount of a "related expenditure made on the candidate's behalf," made on behalf of more than one candidate, shall be the quotient resulting from the division of the expenditure by the number of candidates on whose behalf it was made.

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- 84 (d) An expenditure shall not be considered a "related campaign 85 expenditure made on the candidate's behalf" if it is an unreim-86 bursed payment for travel expenses made by a volunteer using his or her own automobile, to the extent that the cumulative value of such activity by such volunteer does not exceed \$200, with 89 respect to any single election. In addition, an expenditure shall 90 not be considered a "related campaign expenditure made on the candidate's behalf" if all of the following apply:
- 92 (1) The expenditure was made in connection with a campaign 93 event whose purpose was to provide a group of voters with the opportunity to meet the candidate personally.
  - (2) The expenditure was made only for refreshments and related supplies that were consumed at that event.
- (3) The amount of total expenditures for the event was less than 98 \$200.
- 99 (e) A candidate may seek a determination that an expenditure is 100 a related expenditure made on behalf of an opposing candidate by 101 filing a petition with the superior court of the county in which 102 either candidate resides. Within 24 hours of the filing of a peti-103 tion, the court shall schedule the petition for hearing. Except as to 104 cases the court considers of greater importance, proceedings 105 before the superior court, as authorized by this section, and 106 appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the 107 earliest practicable date and expedited in every way. The findings and determination of the court shall be prima facie evidence in 109 any proceedings brought for violation of this chapter. 110
- (f) The Office of Campaign and Political Finance may adopt 111 112 rules necessary to administer the provisions of this section.
  - 1 SECTION 5. This act shall take effect upon passage.